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February 24, 2006

Carl R. Frank
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Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 - 12th Street, SW
Washington, DC 20554

Re: Sirius Satellite Radio Inc. Notice of *Ex Parte* Presentation

Applications for Transfer of Control of Licensee WCW Wireless License Subsidiary, LLC from WCS Wireless, Inc. to XM Satellite Radio Holdings Inc. – File No. 0002240823 – DA 05-1662

Biennial Regulatory Review – Amendment of Parts 1, 22, 24, 27, and 90 to Streamline and Harmonize Various Rules Affecting Wireless Radio Services, WT Docket No. 03-264

Establishment of Rules and Policies for the Digital Audio Radio Satellite Service in the 2310-2360 MHz Frequency Band, IB Docket No. 95-91

WCS Wireless, LLC, Amended Request for Waiver of Section 27.50 of the Commission's Rules; file nos. 002109551, et al.

Dear Ms. Dortch:

On February 23, 2006, representatives from Sirius Satellite Radio Inc. ("Sirius") and its counsel met with the staff of the Wireless Bureau principally to discuss the proposed transaction involving XM Satellite Radio Holdings Inc. ("XM") and WCS Wireless, Inc. The participants are identified below. Discussions during this meeting also addressed issues pending in other as described in the above caption. Therefore, this notification is being filed in those proceedings as well.

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In addition to reiterating positions that are already part of the record in these proceedings, Sirius emphasized the following points:

- Collocation of XM terrestrial repeaters and WCS transmitters is a central and certain product of the proposed acquisition. As verified in the attached excerpts from various Wall Street analysts reports, the post-transaction entity undoubtedly will leverage XM's existing infrastructure and co-locate WCS transmitters with satellite DARS repeaters. This will result in harmful third order intermodulation interference to Sirius satellite reception. Thus, it is appropriate and necessary that interference mitigation be addressed in the application proceeding.
- The extent of the third order intermodulation interference, as well as expected overload interference from WCS transmitters to Sirius receivers, will mushroom should the Commission adopt XM's recommendation for an up to 40-fold increase in WCS radiated power in the FCC's "Streamlining" proceeding and WCS Wireless' parallel request for waiver.
- Sirius has expended a great deal of time, energy and money to overcome interference to subscriber receivers. To date, nearly all such interference has been generated by XM's terrestrial repeaters. Eliminating this interference has been complicated by the lack of final terrestrial repeater rules; adding considerable third order intermodulation interference would create more challenges.
- The FCC should impose conditions on XM's proposed acquisition that: 1) prohibit co-location of WCS and Satellite DARS base stations; and, 2) impose a power flux density limit for ground level emissions within the immediate vicinity of XM's WCS transmitters. Indeed, Sirius suggests that power flux density limits on both WCS and satellite DARS terrestrial transmitters may be the most practicable technique for maximizing licensee flexibility while minimizing interference levels across the entire 2.3 GHz band.

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Please contact the undersigned with any questions regarding this matter.

Very truly yours,

/S/ Carl R. Frank
Carl R. Frank
Counsel for Sirius Satellite Radio

Attachment

cc: Meeting Participants

Wireless Telecommunications Bureau
David Furth
Cathy Massey
Roger Noel
Thomas Derenge
Michael Connelly

Sirius Satellite Radio
Terrence Smith, Senior VP Engineering
Robert Briskman, Co-Founder
Alan Pate, Director of Terrestrial Systems
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**WACHOVIA CAPITAL MARKETS, LLC
EQUITY RESEARCH DEPARTMENT**

XM Satellite Radio Holdings Inc. (XMSR-NASDAQ)

XMSR: Acquisition To Double Capacity In Major Markets by '07

July 13, 2005

Key Points

- **XM to double capacity in most major markets through \$200MM spectrum purchase-** XM announced after the close that it acquired WCS Wireless from Columbia Capital (an investor in XM itself) for 5.5M shares or ~\$200MM. WCS Wireless controls 10MHz of WCS spectrum that is adjacent to XM's existing spectrum. The terrestrial spectrum should allow XM by 2006 or 2007 to expand its capacity to 55% (163 MM) of the nation's population and 15 of the top 20 markets.

NEW SPECTRUM ALLOWS XM TO FURTHER LOCALIZE THE SAT RADIO

SERVICE- Sizeable extra capacity in most of the major markets in the U.S. should allow to "localize" even further (beyond local traffic and weather) to not only tailor national programming to a local market but eventually produce local content in market. For example, long term we do not see why XM could not hire away a popular local DJ for a local focused channel. The economics are such that XM could justify a relatively high price and reach break even at low subscriber levels (for example, we estimate subscriber breakeven (on a revenue basis) on a DJ making \$1.5 million annually would only be ~10,000 subscribers (of course there are costs associated with studio operation etc.)). We expect the NAB to fight this hard, but there does not seem to be any restrictions on XM utilizing the spectrum in this manner.

THE UPGRADE COSTS ARE DIFFICULT TO FORECAST AT THIS STAGE- XM will be able to lever its network of 800 repeaters to utilize the extra spectrum, but given the fact that this spectrum is terrestrial in nature (rather than over the satellite) we suspect that the company will need to raise this materially. Management noted that if they could get approval from the other WCS spectrum owners they could deliver all of these services over satellite as well, but we believe this may be a long shot. We assume \$500M in capital costs, which we admit may be a very conservative estimate.

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**BUSINESS SERVICES/
MEDIA & MARKETING**
Media / Broadcasting

July 14, 2005
Research Note

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XM Satellite Radio Holdings Inc.

- Last night, XM Satellite Radio announced plans to acquire WCS Wireless, which controls wireless spectrum adjacent to XM's and Sirius' (SIRI \$6.91) spectrum in several top markets. XM plans to finance the acquisition with the issuance of 5.5 million shares, for a deal worth \$195.9 million at yesterday's closing price of \$35.62.

It is important to understand how this incremental spectrum will potentially impact the broadcast capacity available to the company. Our initial take is that the acquisition includes spectrum between 2345 megahertz and 2360 megahertz (adjacent to XM's current spectrum of 2332.5 megahertz and 2345 megahertz) and possibly (but not confirmed) spectrum between 2305 megahertz and 2320 megahertz (adjacent to Sirius's 2320 megahertz to 2332.5 megahertz). WCS owns licenses covering only part of the U.S., which leads us to believe that XM will have to broadcast to this spectrum through a terrestrial network--possibly using and enhancing its existing repeater network. Under this assumption, XM will need to broadcast only one stream in the new spectrum versus the three redundant streams it currently broadcasts (one from each satellite location and one from the terrestrial network). The use of just one stream should mean that the company will be able to effectively increase the volume of digital information it broadcasts in its "enhanced" markets by approximately 240%. This dramatic increase in capacity will provide significant flexibility for the company to explore a number of interesting new opportunities such as video. The development of the new services as well as the transmitter and receiver technology should take a "couple of years" according to XM comments in the press.

North America United States
TMT

Deutsche Bank



14 July 2005

XM Satellite Radio

Reuters: XMSR.OQ Bloomberg: XMSR UQ Exchange: NMS Ticker: XMSR.OQ

Mobile media moxie: XM acquires additional spectrum

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The deal: \$198m of stock for 10 MHz of WCS spectrum

Deal terms

XM announced Wednesday the acquisition of WCS Wireless ("WCSW") for 5.5m shares, the equivalent of \$196m at XM's Wednesday closing share price of \$35.62. The company expects the deal to close by year-end, pending regulatory approvals. The transaction would give XM WCMC Wireless' wireless spectrum licenses ("WCS") in geographic areas covering 15 of the top 20 metropolitan markets and 163m people in total. WCSW Wireless is affiliated with Columbia Capital, which previously owned shares in XM. On average, the WCSW licenses include 10 MHz in frequency bands adjacent to XM's satellite radio spectrum. Specifically, XM's spectrum is in the 12.5 MHz from 2,332.5-2,345 MHz, while the WCS spectrum is on both sides of the satellite radio spectrum at 2,305-2,320 MHz and 2,345-2,360 MHz.

One advantage of the WCS spectrum is that its frequency is similar to XM's current frequency. This facilitates use of XM's existing repeaters to provide service, as well as the design of new devices capable of offering both the new services as well as the existing satellite radio service.

Likely to launch on terrestrial repeater network, and then seek to transition to satellite

Given the need to deploy substantial service using the WCS licenses before the initial license term expires in July 2007, we expect that XM will launch any WCS services using its terrestrial repeater network. This would allow XM to provide service in those markets covered by the spectrum it has acquired, while seeking potentially to get clearance to use WCS spectrum in those areas not covered by the WCSW spectrum. Our understanding is that the "substantial service" milestone required under the license would involve making service available to a minimum of roughly 20% of the population in the area covered by the license, or 33 million people in this case. We do not believe this requirement requires any specific level of uptake of this service by consumers, however.

14 July 2005

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XM Satellite Radio Holdings Inc.

company

Event

Acquiring 10 megahertz wireless spectrum in equity deal. XM Satellite Radio announced after the close yesterday (7/13) that it will acquire WCS Wireless. The deal will be financed by issuing 5.5 million XMSR shares, or approximately \$196 million based on Wednesday's closing price of \$35.62. The transaction is expected to close by year-end 2005.

In the near-term, incremental expense required for technological development in advance of launching new consumer services, including repeater upgrades and additional subscriber acquisition costs (SAC) could offset higher ARPU from new services. Specifically, XMSR will need to modify its repeater systems in the WCS markets (incorporate an amplifier) to transmit over the new spectrum and new radios must be developed to interface with the new spectrum/services.